

Rules of
Department of Economic
Development
Division 195—Division of Job Development
and Training
Chapter 2—General Rules, Missouri Job Development
Fund Training Programs

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**Title 4—DEPARTMENT OF
ECONOMIC DEVELOPMENT**

Division 195—Division of

Job Development and Training

**Chapter 2—General Rules, Missouri Job
Development Fund Training Programs**

**4 CSR 195-2.010 New or Expanding Indus-
try Training Program**

PURPOSE: The Division of Job Development and Training, Department of Economic Development has the responsibility to administer the new or expanding industry training program and to approve or disapprove applications for this program. This rule establishes guidelines for administration of this program.

(1) The new or expanding industry training program provides assistance to new or expanding Missouri employers for training, retraining or upgrading the skills of potential employees.

(A) An industry or employer is an entity whose objective is to supply a service or commercially produce and sell an article of trade or commerce.

(B) A new industry is an employer who initiates operation after the date the application for assistance is received by Job Development and Training (JDT) or the Department of Elementary and Secondary Education (DESE).

1. A change of ownership of an industry currently operating within the boundaries of the state is not a new industry.

2. A relocation of an existing industry within the boundaries of the state does not qualify as a new industry at the new location.

(C) An expanding industry is an employer who is increasing the size of the company's existing workforce over the peak employment level of the three hundred sixty-five (365) days prior to receipt of the application by JDT or DESE.

(D) Training, retraining and upgrading is the activity that allows employees and potential employees to acquire, refine and improve the level of their occupational skills in order to perform the requirements of their particular job in a more proficient and effective manner.

(E) Potential employees are those hired during the training project time frames approved by JDT or DESE.

(2) Assistance is available only for employers making investments directly related to an increase in employment which requires training of newly hired employees; or the retrain-

ing or upgrading of the skills of existing employees for new jobs created by a new or expanding employer's investment.

(A) The amount of investment must be submitted in writing to JDT or DESE at the time of application for funding.

(B) The state has the right to investigate the accuracy of the level of capital investment as stated by the applying employer.

(3) Assistance is not available to employers when such assistance would result in replacing or supplanting employees engaged in an authorized work stoppage due to a labor dispute.

(4) Assistance for training and retraining is available primarily for Missouri residents. The Department of Economic Development may authorize assistance for the training or retraining of non-Missouri residents if it determines that such training or retraining is necessary for the location or retention of an industry in the state and for the creation or preservation of employment for Missouri residents.

(5) Assistance may be provided to identify, recruit and screen skilled employees and to locate additional sources of job training funds, including funds assisting economically disadvantaged citizens.

(6) Training activities eligible for reimbursement by the new and expanding industry program are—

(A) The wages of instructors, who may or may not be employees of the industry;

(B) Training development costs, including the cost of training of instructors;

(C) Training materials and supplies, including the purchase of packaged training programs when deemed appropriate by the JDT;

(D) Travel directly related to the training program;

(E) Tuition payments to third-party training providers and to the industry when deemed appropriate by the JDT;

(F) Teaching and assistance provided by educational institutions in the state of Missouri;

(G) The leasing, but not the purchase, of training equipment and space; and

(H) On-the-Job Training (OJT).

1. OJT is training provided to an employed individual engaged in productive work which provides knowledge or skills essential to the full and adequate performance of the job.

2. During the predesignated period of OJT, up to fifty percent (50%) of trainee wages are reimbursed to the employer.

3. The length of On-the-Job Training is directly tied to—

A. The current skill level or background that the trainees possess prior to training; and

B. The skill level required for the job and the time needed for the average trainee to become productive.

(7) On-the-Job Training is available only for the occupational categories which are neither administrative, managerial nor professional.

(A) Occupational titles will be determined through the Dictionary of Occupational Titles (DOT) and any supplements as published by the United States Department of Labor (DOL). Each occupation is coded with a nine (9)-digit or DOT Code.

(B) No OJT is allowed for the training, retraining or upgrading of skills of employees or potential employees for an occupation that has as the first digit of the assigned DOT Code either zero (0) or one (1) and the Specific Vocational Preparation (SVP) level of six (6) or higher.

(C) No OJT is allowed for the training, retraining or upgrading of skills of employees or potential employees for an occupation that has as the first digit of the assigned DOT Code any number two through nine (2—9) and a SVP level higher than seven (7).

(D) The SVP level for each job is determined in the DOL publication, Specific Vocational Preparation Estimates For Occupations in *The U.S. Department of Labor Dictionary of Occupational Titles Fourth Edition*.

1. SVP is the amount of time required to learn the techniques, acquire the information and develop the facility needed for average performance in a specific vocation.

2. Specific vocational training includes: vocational education, apprentice training, classroom training, OJT and related experience.

(8) Except for state sponsored preemployment training, no employer will receive more than fifty percent (50%) of their project training or retraining costs from this program.

(9) Proposals for funding by employers must be made on forms approved by and available from JDT or DESE.

(10) When reviewing training proposals to determine whether training funds will be approved, the JDT will consider, on an equal basis—

(A) The potential number of new jobs to be created; both in terms of absolute numbers and in terms of percentage increase;



(B) The significance of state funding to the employer's decision to locate or expand in Missouri;

(C) The economic need of the affected community;

(D) The importance of the industry to the economic development of Missouri; and

(E) The amount of private sector investment in new facilities and equipment.

(11) When processing employer applications for funding consideration, JDT will notify private industry councils.

(A) Upon request of an employer, JDT will refer the company to the appropriate service provider of other training programs to ensure economically disadvantaged citizens receive opportunities for employment in newly created jobs.

(B) Upon request of an employer, JDT will provide information to a company about other training programs and JDT will advise the appropriate service provider(s) of the potential expansion.

(12) If the new or expanding employer is covered by a collective bargaining agreement, no training project will be approved without written consultation from the appropriate local labor organization.

(13) Funds for the new and expanding industry training program will provide contractual services through the DESE for vocational related training or retraining provided by public or private training institutions located outside of Missouri; and for vocational related training provided on-site within Missouri.

AUTHORITY: section 620.472, RSMo (1994). Original rule filed May 4, 1987, effective July 23, 1987. Amended: Filed May 14, 1996, effective Dec. 30, 1996.

**Original authority 1986.*

4 CSR 195-2.020 Basic Industry Retraining Program

PURPOSE: The Division of Job Development and Training, Department of Economic Development has the responsibility to administer the basic industry retraining program. This rule establishes guidelines for administration of this program.

(1) The basic industry retraining program provides assistance for existing industries in Missouri for the retraining and upgrading of existing workforce skills which are required

to support and result from new capital investments.

(A) Capital investments are purchase(s) or leasing of property, facility(ies) and equipment.

(B) Capital investments are considered substantial if they are, at a minimum, five (5) times greater than the amount of the requested training project's costs.

(C) The amount of capital investment must be submitted in writing to Job Development and Training (JDT) or the Department of Elementary and Secondary Education (DESE) at the time of application for funding. The state has the right to investigate the accuracy of the level of capital investment as stated by the applying employer.

(D) Assistance under the basic industry retraining program may be made available for industries in Missouri which make new investments in manufacturing without the creation of new employment. Manufacturing is the mechanical or chemical transformation of materials or substances into a new product. A product is considered new if after processing it is ready for use or consumption or ready to become a material for further manufacturing.

(E) Training, retraining and upgrading is the activity that enables an existing workforce to acquire, refine and improve the level of their occupational skills in order to perform the requirements of their particular vocation in a more proficient manner.

(2) Assistance is not available when such assistance would result in replacing or supplanting employees engaged in an authorized work stoppage because of a labor dispute.

(3) Assistance for training and retraining is available primarily for Missouri residents. The Department of Economic Development may authorize assistance for the training or retraining of non-Missouri residents if it determines that such training or retraining is necessary for the location or retention of an industry in the state and for the creation or preservation of employment for Missouri residents.

(4) Assistance may be provided to locate additional sources of job training funds, including funds assisting economically disadvantaged citizens.

(5) Training activities eligible for reimbursement by the new and expanding industry program are—

(A) The wages of instructors who may or may not be employees of the industry;

(B) Training development costs, including the cost of training of instructors;

(C) Training materials and supplies, including the purchase of packaged training programs when deemed appropriate by the JDT;

(D) Travel directly related to the training program;

(E) Tuition payments to third-party training providers and to the industry when deemed appropriate by the JDT;

(F) Teaching and assistance provided by educational institutions in the state of Missouri;

(G) The leasing, but not the purchase, of training equipment and space; and

(H) On-the-Job Training (OJT).

1. OJT is training provided to an employed individual engaged in productive work which provides knowledge or skills essential to the full and adequate performance of the job.

2. During the predesignated period of OJT, up to fifty percent (50%) reimbursement of trainee wages are reimbursed to the employer.

3. The length of OJT is directly tied to—

A. The current skill level or background that the trainees possess prior to training; and

B. The skill level required for the job and the time needed for the average trainee to become productive.

(6) OJT is available only for the occupational categories which are neither administrative, managerial nor professional.

(A) Occupational titles will be determined through the Dictionary of Occupational Titles (DOT) and any supplements as published by the United States Department of Labor (DOL). Each occupation is coded with a nine (9)-digit number or DOT code.

(B) No OJT is allowed for the training, retraining or upgrading of skills of employees or potential employees for an occupation that has as the first digit of the assigned DOT code any number two (2) through nine (9) and a Specific Vocational Preparation (SVP) level higher than seven (7).

(C) No OJT is allowed for the training, retraining or upgrading of skills of employees or potential employees for an occupation that has as the first digit of the assigned DOT code either zero (0) or one (1) and a SVP level of six (6) or higher.

(D) The SVP level for each job is determined in the DOL publication, *Specific Vocational Preparation Estimates For Occupations In The U.S. Department of Labor Dictionary of Occupational Titles Fourth Edition*.

1. SVP is the amount of time required to learn the techniques, acquire the information

and develop the facility needed for the average performance in a specific vocation. Specific vocational training includes: vocational education, apprentice training, classroom training, OJT and related experience.

(7) Proposals for funding by employers must be made on forms approved by and available from JDT or DESE.

(8) When reviewing training proposals to determine whether training funds will be approved, the JDT will consider, on an equal basis—

(A) The number of jobs in jeopardy of being lost if retraining does not occur;

(B) The cost of normal, ongoing training required for the employer's industry;

(C) The economic need of the affected community; and

(D) The importance of the industry to the economic development of Missouri.

(9) Assistance will not be approved when such assistance exceeds twenty percent (20%) of the value of the directly related capital investment made by the affected employers.

(10) If the employer applying for the Basic Industry Retraining Program is covered by a collective bargaining agreement, no training project will be approved without seeking written consultation from the appropriate local labor organization.

(11) Funds for the basic industry training program will provide contractual services through the DESE for vocational related training or retraining provided by public or private training institutions within Missouri; and for separately contracted services for vocational-related training or retraining institutions located outside of Missouri and for vocational-related training provided on-site within Missouri.

*AUTHORITY: section 620.474, RSMo (1994). * Original rule filed May 4, 1987, effective July 23, 1987. Amended: Filed May 14, 1996, effective Dec. 30, 1996.*

**Original authority 1986.*

4 CSR 195-2.030 Missouri Job Training Joint Legislative Oversight Committee

PURPOSE: This rule describes the general organization and functions of the Missouri Job Training Joint Legislative Oversight Committee.

(1) The Missouri Job Training Joint Legislative Oversight Committee consists of three (3) members of the Missouri senate appointed by the president pro-tem of the senate and three (3) members of the house of representatives appointed by the speaker of the house.

(A) No more than two (2) of the members of the senate are to be members of the same political party.

(B) No more than two (2) of the members of the house of representatives are to be from the same political party.

(2) Members of the Missouri Job Training Joint Legislative Oversight Committee will report to the governor, the president pro-tem of the senate and the speaker of the house of representatives on all assistance to industries from the Missouri Job Development Fund provided during the preceding fiscal year.

(A) This report is to be delivered no later than the first day of October each year.

(B) The director of the Department of Economic Development reports to the committee any information as the committee may deem necessary for the annual report.

(3) Upon request of the chairperson of the Missouri Job Training Joint Legislative Oversight Committee, the Department of Economic Development will report to the committee on the progress of training projects funded by the programs under the Missouri Job Development Fund and any other information deemed necessary or beneficial to the committee.

(4) Members of this committee receive no compensation in addition to their salary as members of the general assembly but may receive their necessary expenses while attending the meetings of the committee. These expenses will be paid out of the joint contingent fund.

AUTHORITY: section 620.474, RSMo (1986). Original rule filed May 4, 1987, effective July 23, 1987.